

Message Text

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ACTION OES-07

INFO OCT-01 ARA-10 EUR-12 ISO-00 ACDA-07 CIAE-00
INR-07 IO-13 L-03 NSAE-00 NSC-05 EB-08 NRC-05
FEAE-00 DODE-00 SS-15 SP-02 PM-05 H-01 PA-01
PRS-01 USIA-06 AID-05 /114 W
-----053050 251628Z /45

P 251428Z AUG 77

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC PRIORITY 3067

INFO AMEMBASSY CARACAS PRIORITY

AMEMBASSY MEXICO PRIORITY

USEREA HQ WASHDC PRIORITY

USERDA HQ GERMANTOWN PRIORITY

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USIAEA

DEPT PASS IO/SCT

EO 11652: NA

TAGS: IAEA, TECH, ENRG, VE, PARM

SUBJECT: VENEZUELAN REQUEST FOR ENRICHED URANIUM THROUGH IAEA

REF: (A) STATE 197583, (B) CARACAS 1859

1. SUMMARY. MISSION HAS DISCUSSED WITH IAEA THE
MATTER OF U.S. SUPPLYING TWENTY PERCENT ENRICHED
URANIUM TO VENEZUELA THROUGH IAEA FOR THE RV-1
RESEARCH REACTOR. BELIEVE MATTER CAN BE CONSIDERED
BY BOARD OF GOVERNORS, POSSIBLY AT SEPTEMBER 23
MEETING. TEXT OF MISSION LETTER TO IAEA AND OTHER
DETAILS FOLLOW BELOW. END SUMMARY.

2. ALTHOUGH IT IS LATE TO BE SUGGESTING ANYTHING
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NEW TO AGENCY SECRETARIAT FOR CONSIDERATION BY BOARD
OF GOVERNORS (BG) AT ITS FORTHCOMING SESSIONS,
MISSION DISCUSSED WITH AGENCY THE QUESTION OF
VENEZUELAN REQUEST FOR 13,500 GRAMS TOTAL URANIUM
CONTAINING 2,700 GRAMS OF U-235 (TWENTY PERCENT
ENRICHED URANIUM) TO BE OBTAINED FROM U.S. THROUGH
IAEA FOR USE IN FUEL ELEMENTS FOR VENEZUELA'S RV-1

RESEARCH REACTOR, AS DISCUSSED IN REFTELS AND IN PREVIOUS MESSAGES.

3. AGENCY WAS NOT RPT NOT HAPPY WITH PROSPECT OF POSSIBLY HAVING A LATE BG DOCUMENT CIRCULATED TO COVER THIS PROPOSED SUPPLY ARRANGEMENT, PARTICULARLY IN VIEW SEVERE CRITICISM EXPRESSED AT JUNE BG OVER LATE ISSUANCE OF SUCH DOCUMENTS. NEVERTHELESS, FACT THAT THERE ALREADY EXISTS AN APPROVED PROJECT AGREEMENT COVERING THE RV-1 RESEARCH REACTOR (AGENCY DOCUMENT INFCRIC/238) AS WELL AS AN EXISTING U.S./IAEA/VENEZUELA TRILATERAL SAFEGUARDS AGREEMENT AND A BILATERAL U.S./GOV AGREEMENT FOR COOPERATION GREATLY FACILITATED AGENCY'S WILLINGNESS TO PROCEED ON BASIS THAT BG DOCUMENT REQUIRED COULD BE VERY BRIEF AND SIMPLE. FYI. AGENCY WAS ALSO VERY SYMPATHETIC TO VENEZUELAN REQUEST FOR 20 PERCENT RATHER THAN 93 PERCENT ENRICHED URANIUM. END FYI. DDG HALL HAS INFORMED MISSION THAT THERE SHOULD BE NO RPT NO PROBLEM IN SUBMITTING MATTER TO ONE OF FORTHCOMING BG SESSIONS. HALL EXPRESSED NEED FOR FORMAL REQUEST IMMEDIATELY, HOWEVER, IN ORDER GET INTERNAL MACHINERY MOVING. ACCORDINGLY, MISSION PREPARED AND SENT APPROPRIATE LETTER TO DG EKLUND, FULL TEXT OF WHICH FOLLOWS BELOW. THERE IS POSSIBILITY THAT MATTER COULD BE CONSIDERED AT LIMITED OFFICIAL USE

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SEPTEMBER 23 BG MEETING.

4. MISSION WISHES TO NOTE FOLLOWING POINTS RE THIS LETTER, WHICH IS DESIGNED TO FACILITATE AGENCY PREPARATION OF BG DOCUMENT AND TO ASSURE THAT ADDITIONAL NON-PROLIFERATION PROVISIONS MENTIONED PARA 3 REF A WILL APPLY TO THIS SUPPLY ARRANGEMENT AS WELL AS PREVIOUS SUPPLIES FOR THIS RESEARCH REACTOR. (A) SPECIFIC UNDERTAKING AGAINST USE OF SUPPLIED MATERIAL FOR ANY NUCLEAR EXPLOSIVE DEVICE IS UNCOVERED BY NUMBERED PARA 1 OF THE LETTER. THIS UNDERTAKING WOULD BE ESSENTIALLY THE STANDARD VERSION USED IN AGENCY SAFEGUARDS AGREEMENTS APPROVED BY BG OVER PAST FEW YEARS OR SO, SUCH AS IN ARTICLE VI.1 OF THE PROPOSED U.S./IAEA/MEXICO AGREEMENT,

TEXT OF WHICH WAS TRANSMITTED VIA VIENNA 7632 (NOTAL); (B) RETRANSFER PROVISION IS MENTIONED IN NUMBERED PAA 2 OF LETTER AND IS BASED

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INR-07 IO-13 L-03 NSAE-00 NSC-05 EB-08 NRC-05
FEAE-00 DODE-00 SS-15 SP-02 PM-05 H-01 PA-01
PRS-01 USIA-06 AID-05 /114 W
-----053774 251630Z /45

P 251428Z AUG 77
FM AMEMBASSY VIENNA
TO SECSTATE WASHDC PRIORITY 3068
INFO AMEMBASSY CARACAS PRIORITY
AMEMBASSY MEXICO PRIORITY
UERDA HQ WASHDC PRIORITY
USERDA HQ GERMANTOWN PRIORITY

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ON COMBINATIN OF EXISTING PROVISION IN RV-1
PROJECT AGREEMENT (PARA 10 OF ANNEX A) AND TEXT OF
ARTICLE VI.2 OF PROPOSED U.S./IAEA/MEXICO AGREEMENT;
(C) REPROCESSING PROVISION IS COVERED IN NUMBERED
PARA 3 OF LETTER AND REFLECTS LANGUAGE OF ARTICLE
VI.3 OF PROPOSED U.S./IAEA/MEXICO AGREEMENT; (D)
"BACKUP" SAFEGUARDS PROVISION IS UNNECESSARY, SINCE
IT ALREADY IS COVERED UNDER EXISTING PROVISIONS
OF BILATERAL U.S./GOV AGREEMENT FOR COOPERATION
AND U.S./IAEA/VENEZUELA TRILATERAL SAFEGUARDS
AGREEMENT (RV-1 PROJECT IS SUBJECT TO LATTER); AND
(E) PHYSICAL PROTECTION PROVISION IS COVERED IN
NUMBERED PARA 4 OF LETTER AND REFLECTS FORMULATION
USED IN ARTICLE XI OF PRPOSED U.S./IAEA/MEXICO
AGREEMENT.

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5. IT SHOULD BE NOTED THAT ACTUAL TEXTS OF

PROVISIONS TO BE INORPORATED EVENTUALLY IN THE IMPLEMENTING SUPPLY AGREEMENT OR CONTRACT WILL BE SUBJECT TO REVIEW BY U.S. AND VENEZUELA. LETTER SIMPLY SPELLS OUT THE CONDITIONS REQUIRED BY U.S. FOR THIS SUPPLY ARRANGEMENT. WE EXPECT AGENCY WILL DRAW HEAVILY ON THIS LETTER IN PREPARING BG DOCUMENT.

6. MISSION HAS NOT RPT NOT YET BEEN CONTACTED BY VENEZUELAN CHARGE, WHO IS PROBABLY ON VACATION. WE HAVE, HOWEVER, SENT HIM A COPY OF THE LETTER AND WE PLAN TO FOLLOW UP BY ATTEMPTING TO CONTACT HIM OUTSELVES SHORTLY (OUR FIRST PRIORITY AS TO TAKE IMMEDIATE STEPS TO GET THIS MATTER TO BG). WE THINK IT MIGHT NEVERTHELESS BE ADVISABLE FOR EMBASSY CARACAS ALSO TO PASS ON A COPY OF THE LETTER TO APPROPRIATE VENEZUELAN OFFICIALS, IN ORDER TO MAKE SURE THERE ARE NO MISUNDERSTANDINGS INVOLVED, AND THAT GOV IS IN FULLY AGREEMENT WITH THE TERMS AND CONDITIONS SET FORTH IN THAT LETTER.

7. AS MATTER OF RELATED INTEREST, MISSION UNDERSTANDS AGENCY RECEIVED LETTER IN LATE JULY FROM VENEZUELAN AUTHORITIES (IN RESPONSE TO EARLIER AGENCY QUERY) INDICATING THAT PROPOSED GOV/IAEA NPT SAFEGUARDS AGREEMENT WAS UNDERGOING INTER-MINISTERIAL REVIEW AND THAT THEY HOPED SOON TO BE ABLE TO PROVIDE GOV VIEWS RE THAT AGREEMENT.

8. FULL TEXT OF MISSION LETTER TO IAEA DIRECTOR GENERAL SIGVARD EKLUND FOLLOWS:
QUOTE DEAR DR. EKLUND:
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QUOTE I REFER TO MR. KENYERES' LETTER OF JANUARY 24, 1977, REGARDING A REQUEST FROM VENEZUELA FOR ASSISTANCE IN OBTAINING SPECIAL FISSIONABLE MATERIAL FROM THE U.S.A. THROUGH THE IAEA FOR THE RV-1 RESEARCH REACTOR.

QUOTE WE UNDERSTAND THE GOVERNMENT OF VENEZUELA HAS NOW MODIFIED ITS REQUEST TO COMPRISE 13,500 GRAMS OF URANIUM CONTAINING 2,700 GRAMS OF U-235, I.E., 20 PERCENT ENRICHED URANIUM. THE U.S. IS PREPARED TO CONSIDER AUTHORIZING THE SUPPLY OF THE FOREGOING MATERIAL PURSUANT TO THE U.S.-IAEA AGREEMENT FOR COOPERATION, SUBJECT TO THE FOLLOWING ADDITIONAL CONDITIONS:

QUOTE 1. THAT THE UNDERTAKING CONCERNING SAFEGUARDS IN ARTICLE IV, SECTION 4 OF THE PROJECT AGREEMENT SET FORTH IN AGENCY DOCUMENT INFCIRC/238 BE REVISED

IN ACCORDANCE WITH THE DIRECTOR GENERAL'S STATEMENT
TO THE BOARD OF GOVERNORS IN FEBRUARY 1975, REGARD-
IN THE INCLUSION OF A SPECIFIC REFERENCE TO ANY
NUCLEAR EXPLOSIVE DEVICE IN SUCH UNDERTAKINGS;
QUOTE 2. THAT ANY TRANSFER BEYOND THE JURISDICTION
OF VENEZUELA OF THE SUPPLIED MATERIAL, AND ANY
NUCLEAR MATERIAL CONTAINED USED, PRODUCED OR
PROCESSED IN OR BY THE USE OF THE RV-1 RESEARCH
REACTOR OR THE SUPPLIED MATERIAL, WOULD REQUIRE
THE PRIOR APPROVAL OF THE GOVERNMENT OF THE UNITED
STATES OF AMERICA AND THE AGENCY.

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INR-07 IO-13 L-03 NSAE-00 NSC-05 EB-08 NRC-05
FEAE-00 DODE-00 SS-15 SP-02 PM-05 H-01 PA-01
PRS-01 USIA-06 AID-05 /114 W
-----053398 251632Z /45

P 251428Z AUG 77

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC PRIORITY 3069

INFO AMEMBASSY CARACAS PRIORITY

AMEMBASSY MEXICO PRIORITY

USERDA WQ WASHDC PRIORITY

USERDA HQ GERMANTONW PRIORITY

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QUOTE 3. THAT ANY REPROCESSING, CONVERSION,
FABRICATION OR STORAGE OF ANY OF THE SUPPLIED
MATERIAL OR OF ANY SPECIAL FISSIONABLE MATERIAL
CONTAINED, USED, PRODUCED OR PROCESSED IN OR BY THE
USE OF THE RV-1 RESEARCH REACTOR OR THE SUPPLIED

MATERIAL, WOULD BE PERFORMED ONLY UNDER CONDITIONS
AND IN FACILITIES ACCEPTABLE TO THE GOVERNMENT OF
THE UNITED STATES OF AMERICA AND THE AGENCY;

QUOTE 4. THAT THE GOVERNMENT OF VENEZUELA WOULD
TAKE ALL THE MEASURES NECESSARY FOR THE PHYSICAL
PROTECTION OF THE RV-1 RESEARCH REACTOR, THE
SUPPLIED MATERIAL AND ANY OTHER NUCLEAR MATERIAL
SUBJECT TO THE PROVISIONS OF THE PROJECT AGREEMENT
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AND THE RELEVANT SUPPLY AGREEMENTS OR CONTRACTS,
AND FURTHER, THAT SUCH MEASURES MUST BE ACCEPTABLE
TO THE GOVERNMENT OF THE UNITED STATES OF

AMERICA AND THE AGENCY, AND AS A MINIMUM, SUCH
MEASURES WOULD MEET THE STANDARDS LAID DOWN IN THE
AGENCY'S RECOMMENDATIONS FOR THE PHYSICAL PROTECTION

OF NUCLEAR MATERIAL (AGENCY DOCUMENT INFCIRC/225/REV.
1).

QUOTE WE BELIEVE PROVISIONS REFLECTING THE FOREGOING
CONDITIONS COULD BE INCORPORATED IN THE RELEVANT
SUPPLY AGREEMENT OR SUPPLEMENTAL CONTRACT FOR THE
SUPPLY OF THE MATERIAL REQUESTED.

QUOTE THE GOVERNMENT OF THE U.S.A. UNDERSTANDS ALSO
THAT THE VENEZUELAN GOVERNMENT HAS EXPRESSED A
DESIR TO OBTAIN A PORTION OF THE AFOREMENTIONED
MATERIAL UNDER THE U.S. OFFER FOR 1977 TO PROVIDE
SPECIAL NUCLEAR MATERIAL UP TO A VALUE OF \$50,000
FREE OF CHARGE TO THE AGENCY FOR USE IN AGENCY PRO-
JECTS FOR RESEARCH OR MEDICAL THERAPY. AS YOU ARE
AWARE, THE U.S. GIVES PREFERENCE TO NPT PARTIES IN
ALLOCATING THIS GIFT, AND WE NOT THAT VENEZUELA
IS AN NPT PARTY. ACCORDINGLY, THE U.S. IS PREPARED
TO CONSIDER THE VENEZUELAN REQUEST WHEN MAKING ITS
ALLOCATIONS OF THE 1977 GIFT MATERIAL, IF THIS
PROJECT IS CONSIDERED ELIGIBLE BY THE AGENCY.

QUOTE IF THE FOREGOING ARRANGEMENTS ARE ACCEPTABLE,
WE PROPOSE THAT THE MATTER BE SUBMITTED TO THE
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BOARD OF GOVERNORS FOR CONSIDERATION AT THE
EARLIEST PRACTICABLE DATE. SINCERELY, GALEN L. STONE.
UNQUOTE. STONE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: URANIUM, SUPPLIES
Control Number: n/a
Copy: SINGLE
Sent Date: 25-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
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Disposition History: n/a
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Expiration:
Film Number: D770307-0728
Format: TEL
From: VIENNA USIAEA
Handling Restrictions: n/a
Image Path:
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Legacy Key: link1977/newtext/t19770821/aaaaarmj.tel
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Litigation Code IDs:
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Litigation History:
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Reference: 77 STATE 197583, 77 CARACAS 1859
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SAS ID: 1479740
Secure: OPEN
Status: NATIVE
Subject: VENEZUELAN REQUEST FOR ENRICHED URANIUM THROUGH IAEA
TAGS: TECH, ENRG, PARM, VE, US, IAEA
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/8c85e852-c288-dd11-92da-001cc4696bcc
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